



State of Utah

Department of
Natural Resources

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Division of
Oil, Gas & Mining

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Lieutenant Governor

June 30, 2004

TO: Lowell P. Braxton, Director ✓
THRU: Mary Ann Wright, Associate Director *MAW*
THRU: Wayne Hedberg, Permit Supervisor *DWH*
FROM: Lynn Kunzler, Senior Reclamation Biologist *DWH for LMK*
SUBJECT: Request for Approval of Form and Amount of Replacement Reclamation Surety, Mountain Valley Stone, Inc., Browns Canyon Mine, M/043/019, Summit County, Utah

On April 16, 2004, we received notification from KeyBank that they would not be renewing the Letter of Credit (LOC) for Mountain Valley Stone's Browns Canyon project in Summit County. The cancellation would be effective July 26, 2004. We immediately notified the operator and informed him that the surety needed to be replaced w/in 60 days or we would have to start forfeiture proceedings. On April 23, 2004, we received a letter from US Bank that they would be replacing the KeyBank LOC.

Subsequently, forms were sent to US Bank for that purpose. US Bank supplied the replacement LOC on June 24, 2004. On June 29, 2004, we received the operator's replacement Reclamation Contract which is directly tied to the LOC.

If you are in agreement with the acceptance of the replacement reclamation surety please sign and date the contract. We will then issue final Division approval for the replacement surety and send the signed copies to the operator for their records. We will also return the original KeyBank LOC and the Reclamation Contract tied to that LOC to the operator at that time. Thank you for your consideration of this request.

Approve LRB 7/7/04

jb

Enclosure: MR-RC & LOC

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